

# **A BASE BUDGET REVIEW OF MONTGOMERY COUNTY PUBLIC SCHOOLS STAFF DEVELOPMENT**

## **OFFICE OF LEGISLATIVE OVERSIGHT REPORT 2006-4**

### **THE ASSIGNMENT**

This study by the Office of Legislative Oversight (OLO) is a base budget review of Montgomery County Public Schools' (MCPS) staff development function. A primary focus of OLO's assignment was to provide a greater understanding of how MCPS spends the funds allocated for staff development. This assignment is part of a broader County Council initiative to explore ways of enhancing how the Council approaches its annual budget decision-making. In particular, the Council has expressed an interest in more detailed fiscal and program information that goes beyond the marginal budget changes from one year to the next.

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### **MCPS STAFF DEVELOPMENT DEFINED**

Staff development is a process by which educators and other school staff acquire or enhance the knowledge, skills, attitudes, and beliefs that is intended to create high levels of learning for all students and to achieve personal, professional, and organizational goals. The MCPS Office of Organizational Development coordinates all of MCPS' staff development programs.

The MCPS Strategic Plan and several Board of Education policies and MCPS regulations recognize staff development as a MCPS priority and require the provision of staff development activities. The Board of Education's three negotiated agreements with employee bargaining units also establish staff development guidelines and requirements.

### **MCPS STAFF DEVELOPMENT BUDGET**

In FY06, MCPS' program budgeting system allocates \$52.6 million in staff development funds across five separate programs. The \$52.6 million represents 3.1% of MCPS' \$1.7 billion total FY06 budget. MCPS allocates staff development funds for position costs (i.e. permanent staff salaries and benefits) and project costs (such as stipends, substitutes, tuition reimbursement, and operating costs). Two programs, the Staff Development Teacher Program and the Professional Growth System Program, account for \$37.1 million (70%) of the total amount allocated for staff development (Table 1).

**Table 1**

Staff Development Programs	FY06 Spending (in millions)			
	Position	Project	Total	% of Total
Staff Development Teacher	\$20.1	\$0.1	\$20.2	38%
Professional Growth System	\$9.2	\$7.7	\$16.9	32%
Support for Professional Development	\$3.3	\$4.4	\$7.7	15%
Curriculum Training	\$3.4	\$3.4	\$6.8	13%
Diversity Training	\$0.6	\$0.4	\$1.0	2%
<b>Total</b>	<b>\$36.6</b>	<b>\$16.0</b>	<b>\$52.6</b>	<b>100%</b>

## MCPS STAFF DEVELOPMENT SPENDING

### FY06 STAFF DEVELOPMENT POSITION SPENDING

Table 2

MCPS' largest single staff development expense is for permanent staff salaries and benefits. In FY06, it costs \$36.6 million for the 352.5 workyears associated with the five staff development programs. Staff development teacher workyears represent the majority of position costs. (Table 2)

Position Type	Workyears	FY06 Position Costs (in millions)
Staff development teachers	188	\$19.1
Instructional specialists	74	\$8.5
Consulting teachers	38	\$4.1
Administrative staff	24	\$3.2
Supporting services staff	28.5	\$1.7
<b>Total</b>	<b>352.5</b>	<b>\$36.6</b>

### FY06 STAFF DEVELOPMENT PROJECT SPENDING

Table 3

Project spending includes non-position and operating costs. Non-position costs are wages and benefits for temporary staff and stipends paid to permanent staff for attending certain training activities. Stipends and substitutes account for MCPS' largest staff development project costs. In FY06, it costs \$6.7 million for the stipends and \$3.2 million for substitutes associated with MCPS' staff development projects. (Table 3)

Project Cost Type	FY06 Project Costs (in millions)
Stipends	\$6.7
Substitutes	\$3.2
Tuition reimbursement	\$1.7
Professional part-time (temporary)	\$1.2
Consulting	\$1.2
Materials	\$0.8
Other/Miscellaneous	\$0.7
Facility Rental	\$0.3
Supporting part-time (temporary)	\$0.2
<b>Total</b>	<b>\$16.0</b>

### FY07 STAFF DEVELOPMENT SPENDING REQUEST

MCPS' \$55.5 million FY07 staff development budget request represents a 6% (\$2.9 million) increase over FY06 (Table 4). The entire FY07 increase is for position costs. Approximately \$2.3 million of the position costs increase is from compensation adjustments for existing staff, and approximately \$600K is for eight new workyears (5 staff development teachers, 2 support staff positions, and 1 administrative position).

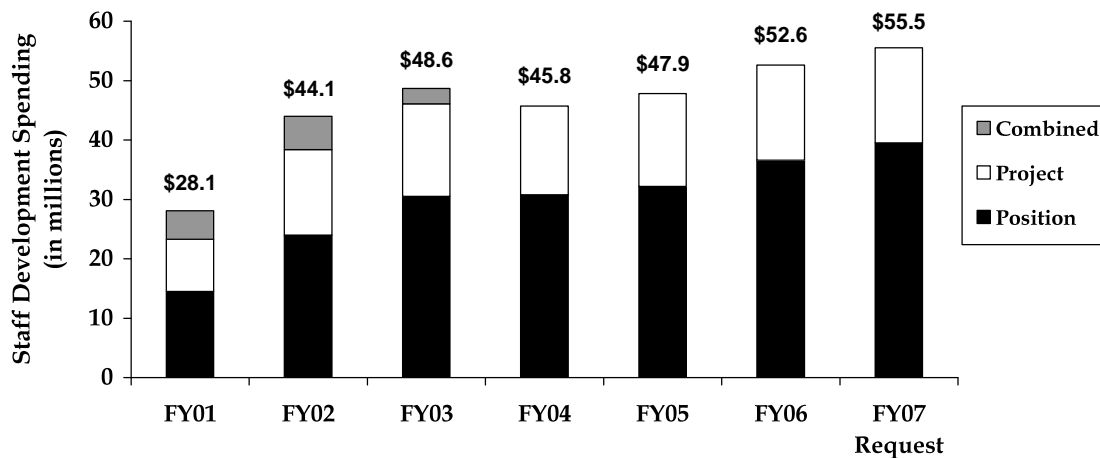
Table 4

Programs	FY06 Costs (in millions)			FY07 Request (in millions)		
	Position	Project	Total	Position	Project	Total
Staff Development Teachers Program	\$20.1	\$0.1	<b>\$20.2</b>	\$22.0	\$0.2	<b>\$22.2</b>
Professional Growth System	\$9.2	\$7.7	<b>\$16.9</b>	\$10.2	\$7.7	<b>\$17.9</b>
Support for Professional Development	\$3.3	\$4.4	<b>\$7.7</b>	\$3.6	\$4.2	<b>\$7.8</b>
Curriculum Training	\$3.4	\$3.4	<b>\$6.8</b>	\$3.1	\$3.4	<b>\$6.5</b>
Diversity Training	\$0.6	\$0.4	<b>\$1.0</b>	\$0.6	\$0.5	<b>\$1.1</b>
<b>Total</b>	<b>\$36.6</b>	<b>\$16.0</b>	<b>\$52.6</b>	<b>\$39.5</b>	<b>\$16.0</b>	<b>\$55.5</b>

## MCPS STAFF DEVELOPMENT SPENDING TRENDS

MCPS' FY06 approved staff development spending is a \$24.5 million (87%) increase over FY01 approved spending. This compares to a 41% increase in total MCPS spending over the same period. The budget increase for staff development reflects both additional programs and the realignment of MCPS resources into the Office of Organizational Development. The chart below shows the largest single increase in total staff development spending was between FY01 and FY02.

Between FY01 and FY06, position costs increased by \$22 million (152%) from a combination of additional workyears and annual compensation adjustments. Project costs increased by \$7 million (82%) during this time.



## MCPS STAFF DEVELOPMENT SPENDING FACTORS

OLO identified three key factors that drive staff development spending:

- **MCPS' policy decision to place a staff development teacher in every elementary, middle, and high school drives a substantial portion of staff development spending.** This staffing structure results in 188 staff development teachers in FY06 at a cost of \$19.1 million. As new schools open, such as the five scheduled to open in FY07, MCPS requests new staff development teacher workyears accordingly to maintain this staffing structure.
- **MCPS' annual compensation adjustments also drive staff development spending.** MCPS annually requests funding for continuing and negotiated salary cost increases and employee benefit cost increases for existing MPCPS staff. Approximately 79% of MCPS' FY07 requested increase in staff development spending is due to compensation adjustments for existing staff.
- **The cost of stipends versus the cost of substitute teachers is a significant factor for staff development project costs.** Teachers who attend mandatory staff development training outside of the regular work day receive additional compensation in the form of stipends. If the training occurs during a regular school day, MCPS does not have to pay stipends but must pay for substitutes to cover teachers' instructional duties.

Comparatively, the hourly rate for a substitute teacher is less than the hourly rate needed to pay a teacher a stipend. However, MCPS must weigh potential cost savings versus a real or perceived change in quality of instruction with a substitute teacher.

## PROGRAM EVALUATION

MCPS uses a five-level evaluation model for assessing the effectiveness of staff development programs. According to MCPS staff, a growing body of research shows a “contributory” link between providing staff development programs and improved student performance. MCPS includes program evaluation as a component of its staff development activities.

### MCPS Evaluation Levels

1. *Participant Reaction* – assesses whether staff feel their time was well spent.
2. *Participant Learning* – assesses whether participants acquire the intended knowledge and skills.
3. *Organization and Support* – assesses whether the training affects the organizational culture and/or procedures.
4. *Participant Use of New Knowledge & Skills* – assesses whether participants effectively apply skills in the classroom.
5. *Student Learning Outcomes* – assesses whether student performance improves.

MCPS’ staff development evaluation activities include feedback (through participant surveys, questionnaires, and convening staff or stakeholder groups) and formal program evaluations in conjunction with outside consultants. In general, the evaluations have found that participants have positive reactions; participants feel that they learn the intended knowledge and skills; and that staff development activities seem to be positively affecting organizational culture within schools. MCPS reports two instances where evaluation efforts have led to specific budget decisions, resulting in costs savings of approximately \$100K in the Staff Development Teacher Program and \$800K in the Professional Growth System Program.

## OLO RECOMMENDATIONS

OLO’s recommends the Council structure its annual review of MCPS’ budget request for staff development to include an analysis of the major cost components, cost drivers, and outcomes. OLO’s specific recommendations for Council action are:

1. **Cost Components** – Based on a critical review of how the OLO report presents budget data, determine the format and content of total staff development spending information to request from MCPS on an annual basis.
2. **Cost Drivers** – Request that MCPS present annual staff development budget increases in a way that connects marginal changes to the policy decisions or factors driving the cost increases or reductions.
3. **Outcomes** – Request that MCPS report back to the Council on recommended outcome measures for staff development based on MCPS’ staff development evaluation model.
4. **Follow-up Worksessions** – Schedule one or more Education Committee worksessions with MCPS staff during FY07 to further understand the operations and effectiveness of MCPS’ staff development function.